

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION**

In re: )  
 ) Case No. 17-42267-659  
 ) Chapter 11  
PAYLESS HOLDINGS LLC, *et al.*, )  
 ) Jointly Administered  
Reorganized Debtors. )  
 ) Re: Docket Nos. 2305 (re: 2449, 2478)  
 )

**SECOND SUPPLEMENTAL ORDER  
SUSTAINING REORGANIZED DEBTORS' TWELFTH  
OMNIBUS OBJECTION TO CERTAIN CLAIMS  
(MODIFIED, SUBSTANTIVE DUPLICATE, NO LIABILITY)**

This matter coming before the Court on the *Reorganized Debtors' Twelfth Omnibus Objection to Certain Claims (Modified, Substantive Duplicate, No Liability* [Docket No. 2305] (the "Objection");<sup>1</sup> the Court having reviewed the Objection and the Ehrenhofer Declaration, and having heard the statements of counsel regarding the relief requested in the Objection at a hearing before the Court (the "Hearing"); the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), and (iv) the Reorganized Debtors having represented that notice of the Objection and the Hearing was adequate and in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Claim Objection Procedures Order and the Local Rules; and the Court having found and determined that the relief sought in the Objection is in the best interests of the Debtors' estates and their creditors and other parties in interest; and the Court having determined that the legal


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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings given to them in the Objection.

and factual bases set forth in the Objection and at the Hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The Objection is SUSTAINED as set forth herein.
2. The Modified Claims listed on Exhibit 1 attached hereto and incorporated herein are hereby modified accordingly, and such Modified Claims are neither allowed nor disallowed at this time.
3. Except as otherwise specifically noted on Exhibit 1 attached hereto and incorporated herein, this Order shall not be deemed to constitute an admission or finding with respect to the Modified Claims.
4. The terms and conditions of this Order shall be immediately effective and enforceable upon entry of the Order.
5. All information included on, and all documentation filed in support of, any Disputed Claim shall be treated as having been filed in support of and included in the corresponding Remaining Claim or Modified Claim, if any.
6. The Clerk of the Court and the Claims and Notice Agent appointed in the above captioned bankruptcy cases are directed to reflect the modification of the Modified Claims listed on Exhibit 1 in their respective records.
6. No later than two business days after the date of this Order, the Claims and Notice Agent appointed in the above captioned bankruptcy cases shall serve a copy of this Order and shall file a certificate of service no later than 24 hours after service.

  
KATHY A. SURRATT-STATES  
Chief United States Bankruptcy Judge

DATED: September 7, 2018  
St. Louis, Missouri  
jjh

**Order Prepared By:**

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Payless Holdings LLC, et al.  
 Twelfth Omnibus Objection (Substantive)  
 Exhibit 1 - Modify Amount (Second Supplemental)

<u>ASSERTED</u>					<u>MODIFIED</u>		
NAME	CLAIM#/ ECF#	DEBTOR	PRIORITY STATUS	AMOUNT	DEBTOR	PRIORITY STATUS	AMOUNT
1 EASTON TOWN CENTER II, LLC ULMER & BERNE LLP MICHAEL S. TUCKER 1660 W. 2ND STREET, SUITE 1100 CLEVELAND, OH 44113	4411^ / 3893	Payless ShoeSource, Inc.  Payless ShoeSource, Inc.	Administrative  Unsecured	\$396.75  \$422,908.01 <hr/> \$423,304.76	Payless ShoeSource, Inc.	Unsecured	\$414,458.99
Reason: Modified amount reflects (1) adjustment for amounts paid through Ecova via check number 278711 on 09/17/2017 and (2) Debtors' books and records and, where appropriate, application of 11 U.S.C. § 502(b)(6) to rejection damages valuation.							
^ Modified claim will not be subject to further objection or future disallowance.							
2 JANESS ASSOCIATES C/O BLANK ROME LLP ATTN: JEFFREY RHODES 1825 EYE STREET NW WASHINGTON, DC 20006	4092^ / 2807-2	Payless ShoeSource, Inc.  Payless ShoeSource, Inc.	Administrative  Unsecured	\$1,454.20*  \$92,289.75* <hr/> \$93,743.95*	Payless ShoeSource, Inc.	Unsecured	\$55,024.77
Reason: Modified amount reflects (1) liquidation of claim to reflect the amount owed according to Debtors' books and records, (2) adjustment for amounts paid via check number 273549 on 08/03/2017, (3) adjustment for amounts satisfied pursuant to letter agreement dated 02/15/2018, and (4) Debtors' books and records and, where appropriate, application of 11 U.S.C. § 502(b)(6) to rejection damages valuation.							
^ Modified claim will not be subject to further objection or future disallowance.							
3 JASAN LLC C/O BLANK ROME LLP ATTN: JEFFREY RHODES 1825 EYE STREET NW WASHINGTON, DC 20006	4105^ / 2789-2	Payless ShoeSource, Inc.  Payless ShoeSource, Inc.	Administrative  Unsecured	\$271.00*  \$55,157.75* <hr/> \$55,428.75*	Payless ShoeSource, Inc.	Unsecured	\$67,109.51
Reason: Modified amount reflects (1) adjustment for amounts satisfied pursuant to letter agreement dated 02/15/2018 and (2) Debtors' books and records and, where appropriate, application of 11 U.S.C. § 502(b)(6) to rejection damages valuation.							
^ Modified claim will not be subject to further objection or future disallowance.							
4 MLO GREAT SOUTH BAY LLC ULMER & BERNE LLP MICHAEL S. TUCKER 1660 W. 2ND STREET, SUITE 1100 CLEVELAND, OH 44113	4299^ / 3881	Payless ShoeSource, Inc.  Payless ShoeSource, Inc.	Administrative  Unsecured	\$13,758.14  \$438,239.16 <hr/> \$451,997.30	Payless ShoeSource, Inc.	Unsecured	\$407,342.10
Reason: Modified amount reflects (1) adjustment for amounts paid via check number 273630 on 08/03/2017 and ACH number 309674 on 05/11/2018 and (2) Debtors' books and records and, where appropriate, application of 11 U.S.C. § 502(b)(6) to rejection damages valuation.							
^ Modified claim will not be subject to further objection or future disallowance.							

Payless Holdings LLC, et al.  
 Twelfth Omnibus Objection (Substantive)  
 Exhibit 1 - Modify Amount (Second Supplemental)

		<u>ASSERTED</u>			<u>MODIFIED</u>		
NAME	CLAIM#/ ECF#	DEBTOR	PRIORITY STATUS	AMOUNT	DEBTOR	PRIORITY STATUS	AMOUNT
5 ROSEFF LLC	4099^ /	Payless ShoeSource, Inc.	Administrative	\$7,424.17*	Payless ShoeSource, Inc.	Unsecured	\$61,865.72
C/O BLANK ROME LLP	2786-2	Payless ShoeSource, Inc.	Unsecured	\$114,381.75*			
ATTN: JEFFREY RHODES							
1825 EYE STREET NW							
WASHINGTON, DC 20006			Sub Total	\$121,805.92*			
Reason: Modified amount reflects (1) adjustment for amounts satisfied pursuant to letter agreement dated 02/15/2018 and (2) Debtors' books and records and, where appropriate, application of 11 U.S.C. § 502(b)(6) to rejection damages valuation.							
^ Modified claim will not be subject to further objection or future disallowance.							
<b>TOTAL</b>				<b>\$ 1,146,280.68*</b>	<b>TOTAL</b>		<b>\$ 956,337.24</b>